

Due to the COVID-19 crisis, the information below is subject to change, in particular that concerning the teaching mode (presential, distance or in a comodal or hybrid format).

5 credits	30.0 h	Q1
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Teacher(s)	Candelon Bertrand ;
Language :	English
Place of the course	Louvain-la-Neuve
Main themes	<p>This course overviews topics in computational finance and financial econometrics (data sciences applied to finance).</p> <p>The emphasis of the course will be on making the transition from an economic model of asset return behavior to an econometric model using real data.</p> <p>This involves:</p> <ol style="list-style-type: none"> 1. exploratory data analysis; 2. specification of models to explain the data; 3. estimation and evaluation of models; 4. testing the economic implications of the model; 5. forecasting from the model. <p>The modeling process requires the use of economic theory, matrix algebra, optimization techniques, probability models, statistical analysis/econometrics, and statistical software (R).</p> <p>Both edX and DataCamp platforms will be used to allow practical training and continuous learning on R.</p>
Aims	<p>Upon completion of this course, students are expected to complete the following key tasks:</p> <ol style="list-style-type: none"> 1. Have a good understanding of important issues in financial econometrics and computational finance; 2. Be able to apply concepts and tools learned in class. <p>Upon completion of this course, students are expected to develop the following capabilities :</p> <ol style="list-style-type: none"> 3. Knowledge and reasoning; 4. Critical thinking skills. <p>----</p> <p><i>The contribution of this Teaching Unit to the development and command of the skills and learning outcomes of the programme(s) can be accessed at the end of this sheet, in the section entitled "Programmes/courses offering this Teaching Unit".</i></p>
Content	<p>The following topics will be covered:</p> <ol style="list-style-type: none"> 1. Introduction to R manipulation and programming (1x3h) 2. Expected utility framework and modern portfolio theory using R (3x3h) 3. Refresher on basic econometrics and linear regression (1x3h) 4. TS topics (including volatility modelling) (3x3h) 5. GMM estimation applied to asset pricing (1x3h)
Faculty or entity in charge	CLSM

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Aims
Master [120] : Business Engineering	INGM2M	5		
Master [120] : Business Engineering	INGE2M	5		